

SUMMARY ANALYSIS OF AMENDED BILL

Author: J. Horton Analyst: Kristina E. North Bill Number: AB 1027
 Related Bills: See Prior Analysis Telephone: 845-6978 Amended Date: May 16, 2005
 Attorney: Patrick Kusiak Sponsor: _____

SUBJECT: FTB Notify Registrar Of Contractors, EDD Director, Economic & Employment Enforcement Coalition & Joint Enforcement Strike Force On Underground Economy Upon Filing Criminal Charges Or Upon Arraignment Of Individual Who Unlawfully Performs As A Contractor

- ____ DEPARTMENT AMENDMENTS ACCEPTED. Amendments reflect suggestions of previous analysis of bill as introduced/amended _____.
- ____ AMENDMENTS IMPACT REVENUE. A new revenue estimate is provided.
- ☒ AMENDMENTS DID NOT RESOLVE THE DEPARTMENT'S TECHNICAL CONCERN stated in the previous analysis of bill as amended April 11, 2005.
- ____ FURTHER AMENDMENTS NECESSARY.
- ____ DEPARTMENT POSITION CHANGED TO _____.
- ☒ REMAINDER OF PREVIOUS ANALYSIS OF BILL AS AMENDED APRIL 11, 2005, STILL APPLIES.
- ☒ OTHER – See comments below.

SUMMARY

This bill would require the Franchise Tax Board (FTB) to share information about criminal filings with specified state agencies.

This bill also contains provisions pertaining to the Contractor's State License Board (CSLB) and to certain rating organizations, neither of which impact FTB and are not discussed in this analysis.

SUMMARY OF AMENDMENTS

The May 16, 2005, amendments would expand the notification requirement.

- ◆ Expands the individuals about whom the notification would be made upon filing of criminal charges against individuals that are licensed by CSLB or those that are unlicensed as a contractor in California; and
- ◆ Expands FTB's notification requirement to include the Economic and Employment Enforcement Coalition and the Joint Enforcement Strike Force on the Underground Economy.

As a result of the May 16, 2005, amendments, the technical consideration has been revised and is included below. The remainder of the department's analysis of this bill as amended April 11, 2005, still applies.

Board Position:

_____ S	_____ NA	_____ NP
_____ SA	_____ O	_____ NAR
_____ N	_____ OUA	<u> X </u> PENDING

Department Director

Date

Jana Howard for Brian Puter

5/31/05

POSITION

Pending.

TECHNICAL CONSIDERATION

The district attorney on behalf of the FTB files criminal charges against or arranges for the arraignment of an individual. In addition, FTB generally does not have access to information regarding any charges filed against a licensee or nonlicensee other than those criminal charges related to criminal violations under the Revenue and Taxation Code. FTB may not have access to information regarding individuals unlawfully engaging in business, acting as a contractor, or not licensed as a contractor in California. The author may wish to clarify that FTB is required to notify CSLB, the Employment Development Department, the Economic and Employment Enforcement Coalition, and the Joint Enforcement Strike Force on the Underground Economy upon the filing of criminal charges related to criminal violations under the Revenue and Taxation Code based on available information.

LEGISLATIVE STAFF CONTACT

Kristina E. North
Franchise Tax Board
(916) 845-6978
Kristina.North@ftb.ca.gov

Brian Putler
Franchise Tax Board
(916) 845-6333
Brian.Putler@ftb.ca.gov